

☐ Individual appearing without attorney
☒ Attorney for: Chapter 7 Trustee Thomas H. Casey

Debtor(s).

Location: United States Bankruptcy Court, Courtroom 5D, 411 West Fourth Street, Santa Ana, California 92701

F 6004-2.NOTICE.SALE

Overbid procedure (if any): Bid at least an amount sufficient to satisfy the Secured Creditor's lien or an amount to which the Secured Creditor consents, plus the Outstanding Real Estate Tax, plus \$114,000.00 in cash for the Property. Overbid increments: \$10,000.00. \$15,000.00 overbid deposit.

If property is to be sold free and clear of liens or other interests, list date, time and location of hearing:

Sale Date: June 5, 2018, at 2:30 p.m.

Location

United States Bankruptcy Court

Central District of California, Santa Ana Division

411 W. Fourth Street, Courtroom 5D

Santa Ana, CA 92701

Contact person for potential bidders (include name, address, telephone, fax and/or email address):

Jeffrey I. Golden

Faye C. Rasch

WEILAND GOLDEN GOODRICH LLP

650 Town Center Drive, Suite 950

Costa Mesa, California 92626

Telephone: 714-966-1000

Facsimile: 714-966-1002

Email: jgolden@wglp.com; frasch@wglp.com

Date: 04/13/2018

WEILAND GOLDEN GOODRICH LLP

Jeffrey I. Golden, State Bar No. 133040

jgolden@wglp.com

Faye C. Rasch State Bar No. 253838

frasch@wglp.com

650 Town Center Drive, Suite 950

Costa Mesa, California 92626

Telephone 714-966-1000

Facsimile 714-966-1002

Proposed Attorneys for Chapter 7 Trustee

Thomas H. Casey

UNITED STATES BANKRUPTCY COURT

CENTRAL DISTRICT OF CALIFORNIA

SANTA ANA DIVISION

In re

779 STRADELLA, LLC, a Delaware limited
liability company,

Debtor.

Case No. 8:16-bk-15156-CB

Chapter 7

**NOTICE OF HEARING ON CHAPTER 7
TRUSTEE'S MOTION FOR ORDER:**

- (1) **AUTHORIZING SALE OF REAL
PROPERTY FREE AND CLEAR
OF ALL LIENS PURSUANT TO
11 U.S.C. §§ 363(b) AND (f);**
- (2) **APPROVING OVERBID
PROCEDURES;**
- (3) **APPROVING BUYER,
SUCCESSFUL BIDDER, AND
BACK-UP BIDDER AS GOOD-
FAITH PURCHASER PURSUANT
TO 11 U.S.C. § 363(m); AND**
- (4) **AUTHORIZING PAYMENT OF
UNDISPUTED LIENS AND
OTHER ORDINARY COSTS OF
SALE**

[779 Stradella Road, Los Angeles, CA]

DATE: June 5, 2018

TIME: 2:30 p.m.

CTRM: 5D

**411 West Fourth Street
Santa Ana, California 92701**

Weiland Golden Goodrich LLP
650 Town Center Drive, Suite 950
Costa Mesa, California 92626
Tel 714-966-1000 Fax 714-966-1002

TO THE DEBTOR, CREDITORS, OFFICE OF THE UNITED STATES TRUSTEE AND ALL PARTIES IN INTEREST:

PLEASE TAKE NOTICE that on **June 5, 2018, at 2:30 p.m.** in courtroom 5D of the United States Bankruptcy Court for the Central District of California, Santa Ana Division, located at 411 W. Fourth Street, Santa Ana, California, the Court will hold a hearing on the *Motion for Order: (1) Authorizing Sale of Real Property Free and Clear of all Liens Pursuant to 11 U.S.C. §§ 363(b) and (f); (2) Approving Overbid Procedures; (3) Approving Buyer, Successful Bidder, and Back-up Bidder as Good-Faith Purchaser Pursuant to 11 U.S.C. § 363(m); and (4) Authorizing Payment of Undisputed Liens and Other Ordinary Costs of Sale* (the "Motion")¹ filed by Thomas H. Casey, the chapter 7 trustee (the "Trustee") for the bankruptcy estate (the "Estate") of 779 Stradella, LLC (the "Debtor"), which seeks an order:

1. approving the Purchase and Sale Agreement (the "Sale Agreement") and the sale of the real property commonly known as 779 Stradella Road, Los Angeles, California (the "Property") "as is," "where is," "with all faults," and without warranty or recourse, but free and clear of any and all liens, claims, and interests, except as set forth herein, together with all improvements, as well as all easements and appurtenances pursuant to 11 U.S.C. §§ 363(b) and (f), to:

a. Genesis Capital Master Fund II, LLC (the "Secured Creditor" or the "Buyer"), whose address is c/o Jeffrey W. Dulberg, Pachulski Stang Ziehl & Jones LLP, 10100 Santa Monica Blvd., 13th Floor, Los Angeles, CA 90067-4003, for: (i) the total purchase price of \$104,000.00 in readily available funds (the "Cash Amount"); plus (ii) a credit bid by the Secured Creditor in the Secured Creditor's sole discretion, in accordance with 11 U.S.C. § 363(k) (the "Purchase Price"), with the cash portion of the Purchase Price to be made by wire transfer for the benefit of the Estate; or

b. to the successful bidder whose purchase offer for the Property is accepted by the Trustee at the hearing on the Motion.

c. the Secured Creditor shall pay all Outstanding Real Estate Tax as specifically set forth in the Sale Agreement; and

d. the Secured Creditor shall receive an allowed claim in the amount set forth on a declaration submitted by the Secured Creditor.

2. approving the overbid procedures set forth in the Motion as summarized below;

3. approving the Buyer, the successful bidder, and the back-up bidder as a "good faith" purchaser under § 363(m) of the Bankruptcy Code;

4. attaching to the net sales proceeds in the same value, priority and scope as such liens currently exist against the Property, subject to any and all of the Trustee's rights to object to, dispute, or subordinate such liens, the Manafort Lien, the Vantage Lien and the Speedy Lien, which are disputed and which shall not, at this time, be paid;

5. reserving to the Trustee all rights to object to the validity, scope and priority of all disputed liens, claims and interests;

¹ All terms not specifically defined herein shall have the meaning provided in the Motion.

6. authorizing the Trustee to take any and all necessary actions to consummate the sale of the Property;

7. authorizing the Trustee to pay, through escrow, from the proceeds of the sale of the Property and without further order of the Court any escrow fees, title insurance premiums and other ordinary and typical closing costs and expenses payable by the Trustee pursuant to the Sale Agreement or in accordance with local custom;

8. waiving any requirements for lodging periods of the order approving the Motion imposed by Local Bankruptcy Rule 9021-1 and any other applicable bankruptcy rules; and

9. waiving the stay of the order approving the Motion imposed by Federal Rule of Bankruptcy Procedure 6004(h) and any other applicable bankruptcy rules.

It is anticipated that there will be no tax liability to the Estate from the Sale.

The gross proceeds of the Sale prior to subtracting costs of sale will be approximately \$104,000.00.

PLEASE TAKE FURTHER NOTICE that the Trustee seeks to sell the Property free and clear of any and all liens, claims, and interests. The Property is encumbered by (i) a first priority deed of trust held by the Secured Creditor that secures a debt of no less than \$7.96 million, (ii) a second priority deed of trust held by Paul Manafort that secures an alleged debt of approximately \$2.7 million (the "Manafort Lien"), (iii) property tax liens held by the Los Angeles County Tax Collector that secure tax obligations of approximately \$200,000, (iv) a lien in favor of Vantage Design Group, Inc. in the amount of \$63,352.43 (the "Vantage Lien"), and (v) a lien in favor of Mr. Speedy Plumbing & Rooter, Inc., in the amount of \$15,500 (the "Speedy Lien").

The Manafort Lien and the Vantage Lien are each disputed as preferential transfers. The Manafort Lien was recorded just days before the Petition Date on December 19, 2016. Similarly, the Vantage Lien was recorded on December 15, 2016. The Speedy Lien, recorded after the Petition Date on November 22, 2017, is disputed as an authorized post-petition transfer as well as violative of the automatic stay.

The Trustee reserves the right to object to the validity, scope and priority of all disputed liens, claims and interests.

PLEASE TAKE FURTHER NOTICE that all overbids must be in writing and must be submitted to the Trustee's counsel whose address is listed in the top left hand corner of the first page of the instant Notice, at or before the hearing on the Motion currently set for June 5, 2018, at 2:30 p.m.

PLEASE TAKE FURTHER NOTICE that the overbid procedures sought to be approved by the Court are as follows:

1. Qualifying bidders ("Qualifying Bidder") shall:

a. Bid at least an amount sufficient to satisfy the Secured Creditor's lien or an amount to which the Secured Creditor consents, plus the Outstanding Real Estate Tax, plus \$114,000 in cash for the Property;

b. Set forth in writing the terms and conditions of the offer that are at least as favorable to the Trustee as those set forth in the Sale Agreement attached to the Motion as Exhibit "A";

c. Be financially qualified, in the Trustee's exercise of his sound business judgment, to close the sale as set forth in the Sale Agreement attached to the Motion as Exhibit "A";

d. Submit an offer that does not contain any contingencies to closing the sale, including, but not limited to, financing, inspection, or repair contingencies;

e. Submit a cash deposit for the Property in the amount of \$15,000.00 (the "Overbid Deposit") payable to Thomas H. Casey, Chapter 7 Trustee for the Bankruptcy Estate of 779 Stradella, LLC, in the form of a cashier's check, which Overbid Deposit shall be non-refundable if the bid is deemed to be the Successful Bid, as defined in paragraph 4 below. The Overbid Deposit, written offer, and evidence of financial qualification must be delivered to the Trustee's counsel (at the address shown in the upper left hand corner of the first page of this Notice), at or before the hearing on the Motion current set for June 5, 2018, at 2:30 p.m.

2. At the hearing on the Motion, only the Buyer and any party who is deemed a Qualifying Bidder shall be entitled to bid.

3. Any incremental bid in the bidding process shall be at least \$10,000.00 higher than the prior bid.

4. At the hearing on the Motion and upon conclusion of the bidding process, the Trustee shall decide, subject to Court approval, which of the bids is the best bid, and such bid shall be deemed to be the "Successful Bid." The bidder who is accepted by the Trustee as the successful bidder (the "Successful Bidder") must pay all amounts reflected in the Successful Bid in cash at the closing of the sale. At the hearing on the Motion, and upon conclusion of the bidding process, the Trustee may also acknowledge a back-up bidder (the "Back-Up Bidder") which shall be the bidder with the next best bid. Should the Successful Bidder fail to close escrow on the sale of the Property, the Trustee may sell the Property to the Back-Up Bidder without further Court order.

5. Overbids shall be all cash and no credit shall be given to the purchaser or overbidder(s).

The Motion is based upon the Memorandum of Points and Authorities, the Declaration of Thomas H. Casey and the Exhibit attached to the Motion, all pleadings, papers and records on file with the Court, and on such other evidence, oral or documentary, as may be presented to the Court at the time of the hearing on the Motion.

Your Rights May Be Affected. You should read these papers carefully and discuss them with your attorney, if you have one. (If you do not have an attorney, you may wish to consult one.)

Deadline for Opposition Papers. The Motion is being heard on regular notice pursuant to LBR 9013-1. If you wish to oppose the Motion, you must file a written response with the Court and serve a copy of it upon the Movant or Movant's attorney at the address set forth above no less than **14 days** prior to the above hearing date. If you fail to file a written response to the Motion within such time period, the Court may treat such failure as a waiver of your right to oppose the Motion and may grant the requested relief.

Hearing Date Obtained Pursuant to Judge's Self-Calendaring Procedure. The undersigned hereby verifies that the above hearing date and time were available for this type of Motion according to the judge's self-calendaring procedures.

PLEASE TAKE FURTHER NOTICE that any party requesting a copy of the Motion or any supporting documents filed with the Court with respect to the Motion may contact counsel for

1 the Trustee, Jeffrey I. Golden, Weiland Golden Goodrich LLP by email at jgolden@wgllp.com, by
2 mail at 650 Town Center Drive, Suite 950, Costa Mesa, California 92626, or by telephone at (714)
966-1000.

3 Dated: April 13, 2018

WEILAND GOLDEN GOODRICH LLP

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5 By: /s/ Faye C. Rasch
JEFFREY I. GOLDEN
6 FAYE C. RASCH
Proposed Counsel for Chapter 7 Trustee
7 Thomas H. Casey
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Weiland Golden Goodrich LLP
650 Town Center Drive, Suite 950
Costa Mesa, California 92626
Tel 714-966-1000 Fax 714-966-1002

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:

**650 Town Center Drive, Suite 950
Costa Mesa, California 92626**

A true and correct copy of the foregoing document entitled (*specify*): Notice of Hearing on Chapter 7 Trustee's Motion for Order: (1) Authorizing Sale of Real Property Free and Clear of all Liens Pursuant to 11 U.S.C. §§ 363(b) and (f); (2) Approving Overbid Procedures; (3) Approving Buyer, Successful Bidder, and Back-Up Bidder as Goodfaith Purchaser Pursuant to 11 U.S.C. § 363(m); and (4) Authorizing Payment of Undisputed Liens and Other Ordinary Costs of Sale will be served or was served **(a)** on the judge in chambers in the form and manner required by LBR 5005-2(d); and **(b)** in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On *(date)* April 13, 2018, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

☒ Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On *(date)* April 13, 2018, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☒ Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on *(date)* April 13, 2018, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

Served by Personal Delivery

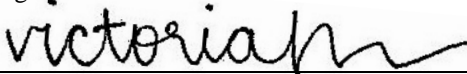
Honorable Catherine E. Bauer
United States Bankruptcy Court
Central District of California
Ronald Reagan Federal Building and Courthouse
411 West Fourth Street, Suite 5165 / Courtroom 5D
Santa Ana, CA 92701-4593

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

4/13/2018
Date

Victoria Rosales
Printed Name


Signature

This form is mandatory. It has been approved for use by the United States Bankruptcy Court for the Central District of California.

TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):

Thomas H Casey (TR) msilva@tomcaseylaw.com, thc@trustesolutions.net
Jeffrey W Dulberg jdulberg@pszjlaw.com
Marc C Forsythe kmurphy@goeforlaw.com, mforsythe@goeforlaw.com; goeforecf@gmail.com
Richard Girgado rgirgado@counsel.lacounty.gov
Jeffrey I Golden jgolden@wgllp.com, kadele@wgllp.com; vrosales@lwgflp.com; cbmeeker@gmail.com
Michael J Hauser michael.hauser@usdoj.gov
James Andrew Hinds jhinds@jhindslaw.com, mduran@jhindslaw.com
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Daren M Schlechter daren@schlechterlaw.com, bgill@schlechterlaw.com
Kambiz J Shabani joseph@shabanipartners.com, kevin@shabanipartners.com
Paul R Shankman pshankman@jhindslaw.com, mduran@jhindslaw.com
Rachel M Sposato rsposato@jhindslaw.com, mduran@jhindslaw.com
United States Trustee (SA) ustpregion16.sa.ecf@usdoj.gov

SERVED BY UNITED STATES MAIL:

779 Stradella, LLC
A Delaware Limited Liability Company
3991 MacArthur Blvd., Suite 125
Newport Beach, CA 92660-3049

Goe & Forsythe LLP
18101 Von Karman Ave, Suite 1200
Irvine, CA 92612-7119

Santa Ana Division
411 W. Fourth Street, Suite 2030
Santa Ana, CA 92701-4500

Baylor Holding LLC
779 Stradella
Los Angeles, CA 90077-3307

California TD Specialists
8190 East Kaiser Blvd.
Anaheim, CA 92808-2215

Crest Real Estate, LLC
11150 W. Olympic Blvd., Suite 700
Los Angeles, CA 90064-1825

DCM P-8, LLC
c/o Wilson Keadjian Browndorf, LLP
1900 Main Street, Suite 600
Irvine, CA 92614-7319

Feffer Geological Consulting
1990 S. Bundy Dr #400
Los Angeles, CA 90025-5245

Genesis Capital Master Fund II LLC
Jeffrey W. Dulberg
c/o Pachulski Stang Ziehl & Jones LLP
10100 Santa Monica Blvd., 13th Floor
Los Angeles, CA 90067-4003

Genesis Capital Master Fund II, LLC
Attn Lending Department
21650 Oxnard Street, Suite 1700
Woodland Hills, CA 91367-5058

Jeffrey Yohai
30254 Morning View Drive
Malibu, CA 90265-3617

Los Angeles County
Treasurer and Tax Collector
PO Box 54110
Los Angeles, CA 90054-0110

Mr. Speedy Plumbing and Roofing, Inc.
Attn: Alfred J. Marzouk, Owner/President
3130 E. Olympic Blvd.
Los Angeles, CA 90023-3602

PJNottingham, LLC
c/o Wilson Keadjian
1900 Main Street, Suite 610
Irvine, CA 92614-7319

Parker Resnick
1927 Pontius Avenue
Los Angeles, CA 90025-5611

Paul Manafort
721 Fifth Avenue #43G
New York, NY 10022-2537

Steve Opdahl Surveying
206 Dryden St.
Thousand Oaks, CA 91360-5303

The Tree Resource
PO Box 49314
Los Angeles, CA 90049-0314

United States Trustee (SA)
411 W. Fourth Street, Suite 7160
Santa Ana, CA 92701-4500

Vantage Design Group
Attn: Russ Holthouse, Agent for Service of Process
2634 S. La Cienega Blvd.
Los Angeles, CA 90034-2604

Marc C. Forsythe
18101 Von Karman, Suite 1200
Irvine, CA 92612-7119

Thomas H. Casey (TR)
23342 Avenida Empresa, Suite 200
Rancho Santa Margarita, CA 92688-2148

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:
650 Town Center Drive, Suite 950
Costa Mesa, California 92626

A true and correct copy of the foregoing document entitled (*specify*): Notice of Sale of Estate Property will be served or was served **(a)** on the judge in chambers in the form and manner required by LBR 5005-2(d); and **(b)** in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (*date*) April 13, 2018, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

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3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (*state method for each person or entity served*): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (*date*) April 13, 2018, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

Served by Personal Delivery

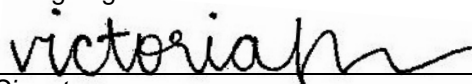
Honorable Catherine E. Bauer
United States Bankruptcy Court
Central District of California
Ronald Reagan Federal Building and Courthouse
411 West Fourth Street, Suite 5165 / Courtroom 5D
Santa Ana, CA 92701-4593

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

4/13/2018
Date

Victoria Rosales
Printed Name


Signature

This form is mandatory. It has been approved for use by the United States Bankruptcy Court for the Central District of California.

TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):

Thomas H Casey (TR) msilva@tomcaseylaw.com, thc@trustesolutions.net

Jeffrey W Dulberg jdulberg@pszjlaw.com

Marc C Forsythe kmurphy@goeforlaw.com, mforsythe@goeforlaw.com;goeforecf@gmail.com

Richard Girgado rgirgado@counsel.lacounty.gov

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James Andrew Hinds jhinds@jhindslaw.com, mduran@jhindslaw.com

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Paul R Shankman pshankman@jhindslaw.com, mduran@jhindslaw.com

Rachel M Sposato rsposato@jhindslaw.com, mduran@jhindslaw.com

United States Trustee (SA) ustpreion16.sa.ecf@usdoj.gov